

		FOR OHF USE					

LL 1

2004
STATE OF ILLINOIS
DEPARTMENT OF PUBLIC AID
FINANCIAL AND STATISTICAL REPORT FOR
LONG-TERM CARE FACILITIES
(FISCAL YEAR 2004)

IMPORTANT NOTICE
 THIS AGENCY IS REQUESTING DISCLOSURE OF INFORMATION
 THAT IS NECESSARY TO ACCOMPLISH THE STATUTORY
 PURPOSE AS OUTLINED IN 210 ILCS 45/3-208. DISCLOSURE
 OF THIS INFORMATION IS MANDATORY. FAILURE TO PROVIDE
 ANY INFORMATION ON OR BEFORE THE DUE DATE WILL
 RESULT IN CESSATION OF PROGRAM PAYMENTS. THIS FORM
 HAS BEEN APPROVED BY THE FORMS MANAGEMENT CENTER.

I. IDPH Facility ID Number: <u>0041855</u>		II. CERTIFICATION BY AUTHORIZED FACILITY OFFICER	
Facility Name: <u>Lexington of Orland Park</u>		I have examined the contents of the accompanying report to the State of Illinois, for the period from <u>01/01/04</u> to <u>12/31/04</u> and certify to the best of my knowledge and belief that the said contents are true, accurate and complete statements in accordance with applicable instructions. Declaration of preparer (other than provider) is based on all information of which preparer has any knowledge.	
Address: <u>14601 S. John Humphrey Drive</u> <u>Orland Park</u> <u>60462</u> Number City Zip Code		Intentional misrepresentation or falsification of any information in this cost report may be punishable by fine and/or imprisonment.	
County: <u>Cook</u>		(Signed) _____ (Date) _____	
Telephone Number: <u>(708) 349-8300</u> Fax # <u>(708) 349-4093</u>		(Type or Print Name) _____	
IDPA ID Number: <u>363923895001</u>		(Title) _____	
Date of Initial License for Current Owners: <u>07/08/96</u>		(Signed) <u>SEE ACCOUNTANTS' COMPILATION REPORT</u> (Date) _____	
Type of Ownership:		(Print Name and Title) _____	
<input type="checkbox"/> VOLUNTARY, NON-PROFIT		(Firm Name & Address) <u>Altschuler, Melvoin and Glasser LLP</u> <u>One South Wacker Drive, Suite 800, Chicago, IL 60606</u>	
<input type="checkbox"/> Charitable Corp.		(Telephone) <u>(312) 384-6000</u> Fax # <u>(312) 634-5518</u>	
<input type="checkbox"/> Trust		MAIL TO: OFFICE OF HEALTH FINANCE ILLINOIS DEPARTMENT OF PUBLIC AID 201 S. Grand Avenue East Springfield, IL 62763-0001 Phone # (217) 782-1630	
IRS Exemption Code _____			
<input checked="" type="checkbox"/> PROPRIETARY			
<input type="checkbox"/> GOVERNMENTAL			
<input type="checkbox"/> Individual			
<input type="checkbox"/> Partnership			
<input type="checkbox"/> Corporation			
<input checked="" type="checkbox"/> "Sub-S" Corp.			
<input type="checkbox"/> Limited Liability Co.			
<input type="checkbox"/> Trust			
<input type="checkbox"/> Other _____			
In the event there are further questions about this report, please contact: Name: <u>Charles J. Fischer</u> Telephone Number: <u>(312) 384-6000</u> Please send copies of desk review and audit adjustments to address on this page			

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington of Orland Park# 0041855 Report Period Beginning: 01/01/04 Ending: 12/31/04

III. STATISTICAL DATA

A. Licensure/certification level(s) of care; enter number of beds/bed days,
(must agree with license). Date of change in licensed bedsN/A

	1	2	3	4	
	Beds at Beginning of Report Period	Licensure Level of Care	Beds at End of Report Period	Licensed Bed Days During Report Period	
1	<u>270</u>	Skilled (SNF)	<u>270</u>	<u>98,820</u>	1
2		Skilled Pediatric (SNF/PED)			2
3		Intermediate (ICF)			3
4		Intermediate/DD			4
5		Sheltered Care (SC)			5
6		ICF/DD 16 or Less			6
7	<u>270</u>	TOTALS	<u>270</u>	<u>98,820</u>	7

B. Census-For the entire report period.

	1	2	3	4	5	
	Level of Care	Patient Days by Level of Care and Primary Source of Payment				
		Public Aid Recipient	Private Pay	Other	Total	
8	SNF	<u>24,286</u>	<u>4,312</u>	<u>11,620</u>	<u>40,218</u>	8
9	SNF/PED					9
10	ICF	<u>39,491</u>	<u>1,407</u>	<u>1,585</u>	<u>42,483</u>	10
11	ICF/DD					11
12	SC					12
13	DD 16 OR LESS					13
14	TOTALS	<u>63,777</u>	<u>5,719</u>	<u>13,205</u>	<u>82,701</u>	14

C. Percent Occupancy. (Column 5, line 14 divided by total licensed
bed days on line 7, column 4.) 83.69%

D. How many bed-hold days during this year were paid by Public Aid?

0 (Do not include bed-hold days in Section B.)E. List all services provided by your facility for non-patients.
(E.g., day care, "meals on wheels", outpatient therapy)None

F. Does the facility maintain a daily midnight census?

YesG. Do pages 3 & 4 include expenses for services or
investments not directly related to patient care?YES ☒NO ☐Non-allowable costs have been
eliminated in Schedule V, Column 7.

H. Does the BALANCE SHEET (page 17) reflect any non-care assets?

YES ☐NO ☒

I. On what date did you start providing long term care at this location?

Date started 07/08/96

J. Was the facility purchased or leased after January 1, 1978?

YES ☐Date New constructionNO ☒

K. Was the facility certified for Medicare during the reporting year?

YES ☒NO ☐If YES, enter number
of beds certified 270 and days of care provided 11,028Medicare Intermediary AdminaStar Federal

IV. ACCOUNTING BASIS

ACCRUAL ☒

MODIFIED

CASH* ☐CASH* ☐

Is your fiscal year identical to your tax year?

YES ☒NO ☐Tax Year: 12/31/04 Fiscal Year: 12/31/04

* All facilities other than governmental must report on the accrual basis.

SEE ACCOUNTANTS' COMPILATION REPORT

STATE OF ILLINOIS

Page 3

Facility Name & ID Number Lexington of Orland Park # 0041855 Report Period Beginning: 01/01/04 Ending: 12/31/04

V. COST CENTER EXPENSES (throughout the report, please round to the nearest dollar)

	Operating Expenses	Costs Per General Ledger				Reclass- ification 5	Reclassified Total 6	Adjust- ments 7**	Adjusted Total 8	FOR OHF USE ONLY		
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10	
	A. General Services											
1	Dietary	317,844	29,508	15,715	363,067		363,067		363,067			1
2	Food Purchase		335,046		335,046		335,046	(13,997)	321,049			2
3	Housekeeping	282,794	37,251		320,045		320,045	390	320,435			3
4	Laundry	68,107	22,447		90,554		90,554	(977)	89,577			4
5	Heat and Other Utilities			223,308	223,308		223,308	4,462	227,770			5
6	Maintenance	45,432		116,397	161,829		161,829	57,342	219,171			6
7	Other (specify):* Allocated Benefits							6,450	6,450			7
8	TOTAL General Services	714,177	424,252	355,420	1,493,849		1,493,849	53,670	1,547,519			8
	B. Health Care and Programs											
9	Medical Director			45,000	45,000		45,000		45,000			9
10	Nursing and Medical Records	3,517,683	227,605	73,709	3,818,997		3,818,997	75,382	3,894,379			10
10a	Therapy			1,279,939	1,279,939		1,279,939		1,279,939			10a
11	Activities	213,202	25,943	4,819	243,964		243,964		243,964			11
12	Social Services	100,342		4,927	105,269		105,269		105,269			12
13	Nurse Aide Training											13
14	Program Transportation											14
15	Other (specify):* Allocated Benefits							9,118	9,118			15
16	TOTAL Health Care and Programs	3,831,227	253,548	1,408,394	5,493,169		5,493,169	84,500	5,577,669			16
	C. General Administration											
17	Administrative	110,386		1,252,130	1,362,516		1,362,516	(1,125,262)	237,254			17
18	Directors Fees											18
19	Professional Services			106,471	106,471		106,471	18,206	124,677			19
20	Dues, Fees, Subscriptions & Promotions			13,843	13,843		13,843	1,170	15,013			20
21	Clerical & General Office Expenses	300,626	41,414	31,219	373,259		373,259	355,675	728,934			21
22	Employee Benefits & Payroll Taxes			714,363	714,363		714,363	13,895	728,258			22
23	Inservice Training & Education			2,146	2,146		2,146		2,146			23
24	Travel and Seminar			3,273	3,273		3,273	4,869	8,142			24
25	Other Admin. Staff Transportation			103	103		103	12,527	12,630			25
26	Insurance-Prop.Liab.Malpractice			243,322	243,322		243,322	5,575	248,897			26
27	Other (specify):* Allocated Benefits							54,987	54,987			27
28	TOTAL General Administration	411,012	41,414	2,366,870	2,819,296		2,819,296	(658,358)	2,160,938			28
29	TOTAL Operating Expense (sum of lines 8, 16 & 28)	4,956,416	719,214	4,130,684	9,806,314		9,806,314	(520,188)	9,286,126			29

*Attach a schedule if more than one type of cost is included on this line, or if the total exceeds \$1000.

SEE ACCOUNTANTS' COMPILATION REPORT

NOTE: Include a separate schedule detailing the reclassifications made in column 5. Be sure to include a detailed explanation of each reclassification.

Facility Name & ID Number

Lexington of Orland Park

#0041855

Report Period Beginning:

01/01/04

Ending:

12/31/04

V. COST CENTER EXPENSES (continued)

	Capital Expense	Cost Per General Ledger				Reclass- ification 5	Reclassified Total 6	Adjust- ments 7**	Adjusted Total 8	FOR OHF USE ONLY		
		Salary/Wage 1	Supplies 2	Other 3	Total 4					9	10	
30	D. Ownership											
	Depreciation			39,833	39,833		39,833	310,438	350,271			30
31	Amortization of Pre-Op. & Org.											31
32	Interest			4,734	4,734		4,734	498,081	502,815			32
33	Real Estate Taxes							458,011	458,011			33
34	Rent-Facility & Grounds			1,893,627	1,893,627		1,893,627	(1,891,830)	1,797			34
35	Rent-Equipment & Vehicles			8,010	8,010		8,010	3,793	11,803			35
36	Other (specify):*											36
37	TOTAL Ownership			1,946,204	1,946,204		1,946,204	(621,507)	1,324,697			37
	Ancillary Expense											
	E. Special Cost Centers											
38	Medically Necessary Transportation											38
39	Ancillary Service Centers		313,721		313,721		313,721		313,721			39
40	Barber and Beauty Shops			30,598	30,598		30,598		30,598			40
41	Coffee and Gift Shops			8,684	8,684		8,684		8,684			41
42	Provider Participation Fee			148,230	148,230		148,230		148,230			42
43	Other (specify):* Nonallowable Costs			151,763	151,763		151,763	(151,763)				43
44	TOTAL Special Cost Centers		313,721	339,275	652,996		652,996	(151,763)	501,233			44
45	GRAND TOTAL COST (sum of lines 29, 37 & 44)	4,956,416	1,032,935	6,416,163	12,405,514		12,405,514	(1,293,458)	11,112,056			45

*Attach a schedule if more than one type of cost is included on this line, or if the total exceeds \$1000.

**See schedule of adjustments attached at end of cost report.

SEE ACCOUNTANTS' COMPILATION REPORT

Lexington of Orland Park
Provider #: 0041855
01/01/04 to 12/31/04

Schedule A

VI. Adjustment Detail
Line 29 - Other

Non-allowable expenses	Amount	Reference
Disallow Radiology	(12,879)	43
Disallow Laboratory	(4,536)	43
Non-allowable Collection and out-of-period fees	(5,024)	19
Offset miscellaneous income	(191)	21
Non-allowable personal item replacement	(2,846)	43
Non-allowable unrealized gain on fair value of interest rate swap	229,852	43
Real estate refund costs	199	33
Non-allowable miscellaneous expense	(2,385)	21
Total	<u>202,190</u>	

SEE ACCOUNTANTS' COMPILATION REPORT

Lexington of Orland ParkID# 0041855Report Period Beginning: 01/01/04Ending: 12/31/04

Sch. V Line

NON-ALLOWABLE EXPENSES		Amount	Reference
1		\$	1
2			2
3			3
4			4
5			5
6			6
7			7
8			8
9			9
10			10
11			11
12			12
13			13
14			14
15			15
16			16
17			17
18			18
19			19
20			20
21			21
22			22
23			23
24			24
25			25
26			26
27			27
28			28
29			29
30			30
31			31
32			32
33			33
34			34
35			35
36			36
37			37
38			38
39			39
40			40
41			41
42			42
43			43
44			44
45			45
46			46
47			47
48			48
49	Total	0	49

STATE OF ILLINOIS

Summary A

Facility Name & ID Number Lexington of Orland Park# 0041855

Report Period Beginning:

01/01/04

Ending:

12/31/04

SUMMARY OF PAGES 5, 5A, 6, 6A, 6B, 6C, 6D, 6E, 6F, 6G, 6H AND 6I

	Operating Expenses	PAGES 5 & 5A	PAGE 6	PAGE 6A	PAGE 6B	PAGE 6C	PAGE 6D	PAGE 6E	PAGE 6F	PAGE 6G	PAGE 6H	PAGE 6I	SUMMARY TOTALS (to Sch V, col.7)	
	A. General Services													
1	Dietary	0	0	0	0	0	0	0	0	0	0	0	0	1
2	Food Purchase	(102)	0	0	0	0	0	0	0	0	0	0	(102)	2
3	Housekeeping	0	0	390	0	0	0	0	0	0	0	0	390	3
4	Laundry	(977)	0	0	0	0	0	0	0	0	0	0	(977)	4
5	Heat and Other Utilities	0	0	4,462	0	0	0	0	0	0	0	0	4,462	5
6	Maintenance	0	0	57,342	0	0	0	0	0	0	0	0	57,342	6
7	Other (specify):*	0	0	6,450	0	0	0	0	0	0	0	0	6,450	7
8	TOTAL General Services	(1,079)	0	68,644	0	0	0	0	0	0	0	0	67,565	8
	B. Health Care and Programs													
9	Medical Director	0	0	0	0	0	0	0	0	0	0	0	0	9
10	Nursing and Medical Records	0	0	75,382	0	0	0	0	0	0	0	0	75,382	10
10a	Therapy	0	0	0	0	0	0	0	0	0	0	0	0	10a
11	Activities	0	0	0	0	0	0	0	0	0	0	0	0	11
12	Social Services	0	0	0	0	0	0	0	0	0	0	0	0	12
13	Nurse Aide Training	0	0	0	0	0	0	0	0	0	0	0	0	13
14	Program Transportation	0	0	0	0	0	0	0	0	0	0	0	0	14
15	Other (specify):*	0	0	9,118	0	0	0	0	0	0	0	0	9,118	15
16	TOTAL Health Care and Programs	0	0	84,500	0	0	0	0	0	0	0	0	84,500	16
	C. General Administration													
17	Administrative	0	0	126,868	(1,252,130)	0	0	0	0	0	0	0	(1,125,262)	17
18	Directors Fees	0	0	0	0	0	0	0	0	0	0	0	0	18
19	Professional Services	0	2,312	23,112	0	0	0	0	0	0	0	0	25,424	19
20	Fees, Subscriptions & Promotions	0	0	1,170	0	0	0	0	0	0	0	0	1,170	20
21	Clerical & General Office Expenses	0	230	358,021	0	0	0	0	0	0	0	0	358,251	21
22	Employee Benefits & Payroll Taxes	0	0	0	0	0	0	0	0	0	0	0	0	22
23	Inservice Training & Education	0	0	0	0	0	0	0	0	0	0	0	0	23
24	Travel and Seminar	0	0	4,869	0	0	0	0	0	0	0	0	4,869	24
25	Other Admin. Staff Transportation	0	0	0	12,527	0	0	0	0	0	0	0	12,527	25
26	Insurance-Prop.Liab.Malpractice	0	0	0	5,575	0	0	0	0	0	0	0	5,575	26
27	Other (specify):*	0	0	0	54,987	0	0	0	0	0	0	0	54,987	27
28	TOTAL General Administration	0	2,542	514,040	(1,179,041)	0	0	0	0	0	0	0	(662,459)	28
29	TOTAL Operating Expense (sum of lines 8,16 & 28)	(1,079)	2,542	667,184	(1,179,041)	0	0	0	0	0	0	0	(510,394)	29

STATE OF ILLINOIS

Summary B

Facility Name & ID Number Lexington of Orland Park# 0041855

Report Period Beginning:

01/01/04

Ending:

12/31/04

SUMMARY OF PAGES 5, 5A, 6, 6A, 6B, 6C, 6D, 6E, 6F, 6G, 6H AND 6I

	Capital Expense	PAGES 5 & 5A	PAGE 6	PAGE 6A	PAGE 6B	PAGE 6C	PAGE 6D	PAGE 6E	PAGE 6F	PAGE 6G	PAGE 6H	PAGE 6I	SUMMARY TOTALS (to Sch V, col.7)	
	D. Ownership													
30	Depreciation	0	272,583	0	37,855	0	0	0	0	0	0	0	310,438	30
31	Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0	0	0	0	0	31
32	Interest	(30,152)	527,775	0	458	0	0	0	0	0	0	0	498,081	32
33	Real Estate Taxes	0	453,627	0	1,991	0	0	0	0	0	0	0	455,618	33
34	Rent-Facility & Grounds	0	(1,893,627)	0	1,797	0	0	0	0	0	0	0	(1,891,830)	34
35	Rent-Equipment & Vehicles	0	0	0	3,793	0	0	0	0	0	0	0	3,793	35
36	Other (specify):*	0	0	0	0	0	0	0	0	0	0	0	0	36
37	TOTAL Ownership	(30,152)	(639,642)	0	45,894	0	0	0	0	0	0	0	(623,900)	37
	Ancillary Expense													
	E. Special Cost Centers													
38	Medically Necessary Transportation	0	0	0	0	0	0	0	0	0	0	0	0	38
39	Ancillary Service Centers	0	0	0	0	0	0	0	0	0	0	0	0	39
40	Barber and Beauty Shops	0	0	0	0	0	0	0	0	0	0	0	0	40
41	Coffee and Gift Shops	0	0	0	0	0	0	0	0	0	0	0	0	41
42	Provider Participation Fee	0	0	0	0	0	0	0	0	0	0	0	0	42
43	Other (specify):*	(131,492)	(229,862)	0	0	0	0	0	0	0	0	0	(361,354)	43
44	TOTAL Special Cost Centers	(131,492)	(229,862)	0	0	0	0	0	0	0	0	0	(361,354)	44
	GRAND TOTAL COST													
45	(sum of lines 29, 37 & 44)	(162,723)	(866,962)	667,184	(1,133,147)	0	0	0	0	0	0	0	(1,495,648)	45

Facility Name & ID Number Lexington of Orland Park # 0041855 Report Period Beginning: 01/01/04 Ending: 12/31/04

VII. RELATED PARTIES

A. Enter below the names of ALL owners and related organizations (parties) as defined in the instructions. Attach an additional schedule if necessary.

1 OWNERS		2 RELATED NURSING HOMES		3 OTHER RELATED BUSINESS ENTITIES		
Name	Ownership %	Name	City	Name	City	Type of Business
James Samatas Discretionary Trust	30.00%			Lexington Health Care		
John Samatas Discretionary Trust	30.00%			Systems of Orland		
Cynthia Thiem Discretionary Trust	30.00%	See attached Schedule B		Park Ltd. Ptsp.	Orland Park	Real estate ptsp.
Dean Sweitzer	10.00%			Royal Mgmt. Corp.	Lombard	Mgmt. Co.
				Lexington Financial		
				Services, L.L.C.	Lombard	Finance Co.

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth. ☒ YES ☐ NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1 Schedule V	2 Line	3 Cost Per General Ledger Item	4 Amount	5 Cost to Related Organization Name of Related Organization	6 Percent of Ownership	7 Operating Cost of Related Organization	8 Difference: Adjustments for Related Organization Costs (7 minus 4)	
1	V	34 Rental expense	\$ 1,893,627	Lexington Health Care Systems of Orland Park Ltd. Ptsp	**	\$	\$ (1,893,627)	1
2	V	19 Professional fees		Lexington Health Care Systems of Orland Park Ltd. Ptsp	**	2,312	2,312	2
3	V	21 Office Supplies		Lexington Health Care Systems of Orland Park Ltd. Ptsp	**	120	120	3
4	V	21 Bank charges		Lexington Health Care Systems of Orland Park Ltd. Ptsp	**	110	110	4
5	V	30 Depreciation		Lexington Health Care Systems of Orland Park Ltd. Ptsp	**	272,583	272,583	5
6	V	32 Interest expense		Lexington Health Care Systems of Orland Park Ltd. Ptsp	**	521,222	521,222	6
7	V	32 Amortization of mortgage costs		Lexington Health Care Systems of Orland Park Ltd. Ptsp	**	6,553	6,553	7
8	V	33 Property taxes		Lexington Health Care Systems of Orland Park Ltd. Ptsp	**	453,627	453,627	8
9	V	43 Unrealized gain on fair value of interest rate swap		Lexington Health Care Systems of Orland Park Ltd. Ptsp	**	(229,852)	(229,852)	9
10	V	43 State Replacement Tax		Lexington Health Care Systems of Orland Park Ltd. Ptsp	**	(10)	(10)	10
11	V							11
12	V			**The owners of Lexington Health Care Center of Orland Park, Inc. own 100%				12
13	V			of Lexington Health Care Systems of Orland Park Ltd Ptsp.				13
14	Total		\$ 1,893,627			\$ 1,026,665	\$ * (866,962)	14

* Total must agree with the amount recorded on line 34 of Schedule VI.

SEE ACCOUNTANTS' COMPILATION REPORT

Lexington Health Care Center of Orland Park, Inc.

Provider # 0041855

1/1/04 - 12/31/04

Schedule B

VII. Related Parties

Related Nursing Homes

Name of facility	City
Lexington Health Care Center of Lombard, Inc.	Lombard
Lexington Health Care Center of Bloomingdale, Inc.	Bloomingdale
Lexington Health Care Center of Chicago Ridge, Inc.	Chicago Ridge
Lexington Health Care Center of Elmhurst, Inc.	Elmhurst
Lexington Health Care Center of LaGrange, Inc.	LaGrange
Lexington Health Care Center of Lake Zurich, Inc.	Lake Zurich
Lexington Health Care Center of Schaumburg, Inc.	Schaumburg
Lexington Health Care Center of Streamwood, Inc.	Streamwood
Lexington Health Care Center of Wheeling, Inc.	Wheeling

See Accountants' Compilation Report

Facility Name & ID Number Lexington of Orland Park

0041855

Report Period Beginning: 01/01/04

Ending: 12/31/04

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth.

☒

YES

☐

NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)
15	V	3 Housekeeping supplies	\$	Royal Management Corp.	**	\$ 390	\$ 390
16	V	5 Utilities - gas & electric		Royal Management Corp.	**	4,240	4,240
17	V	5 Utilities - water & sewer		Royal Management Corp.	**	114	114
18	V	5 Utilities - maintenance office		Royal Management Corp.	**	108	108
19	V	6 Management allocation - salaries		Royal Management Corp.	**	53,363	53,363
20	V	6 Repairs & maintenance		Royal Management Corp.	**	3,979	3,979
21	V	7 Management allocation - employee benefits		Royal Management Corp.	**	6,450	6,450
22	V	10 Management allocation - salaries		Royal Management Corp.	**	75,382	75,382
23	V	15 Management allocation - employee benefits		Royal Management Corp.	**	9,118	9,118
24	V	17 Management allocation - salaries		Royal Management Corp.	**	126,868	126,868
25	V	19 Computer consultant & supplies		Royal Management Corp.	**	14,203	14,203
26	V	19 Professional fees		Royal Management Corp.	**	8,909	8,909
27	V	20 Dues & subscriptions		Royal Management Corp.	**	1,047	1,047
28	V	20 Licenses, permits & inspections		Royal Management Corp.	**	30	30
29	V	20 Advertising - help wanted		Royal Management Corp.	**	93	93
30	V	21 Management allocation - salaries		Royal Management Corp.	**	327,858	327,858
31	V	21 Bank charges		Royal Management Corp.	**	2,607	2,607
32	V	21 Office supplies & printing		Royal Management Corp.	**	11,082	11,082
33	V	21 Postage		Royal Management Corp.	**	4,537	4,537
34	V	21 Telephone		Royal Management Corp.	**	11,937	11,937
35	V	24 Travel & seminar		Royal Management Corp.	**	4,869	4,869
36	V						
37	V						
38	V	** Certain owners of Lexington Health Care Center of Orland Park, Inc. own 100% of Royal Management Corp.					
39	Total		\$			\$ 667,184	\$ * 667,184

* Total must agree with the amount recorded on line 34 of Schedule VI.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington of Orland Park

0041855

Report Period Beginning: 01/01/04

Ending: 12/31/04

VII. RELATED PARTIES (continued)

B. Are any costs included in this report which are a result of transactions with related organizations? This includes rent, management fees, purchase of supplies, and so forth.

☒

YES

☐

NO

If yes, costs incurred as a result of transactions with related organizations must be fully itemized in accordance with the instructions for determining costs as specified for this form.

1	2	3 Cost Per General Ledger	4	5 Cost to Related Organization	6	7	8 Difference:
Schedule V	Line	Item	Amount	Name of Related Organization	Percent of Ownership	Operating Cost of Related Organization	Adjustments for Related Organization Costs (7 minus 4)
15	V	25 Auto expense	\$	Royal Management Corp.	**	\$ 12,527	\$ 12,527
16	V	26 Insurance general		Royal Management Corp.	**	5,575	5,575
17	V	27 Management allocation - employee benefits		Royal Management Corp.	**	54,987	54,987
18	V	30 Depreciation - vehicles		Royal Management Corp.	**	4,062	4,062
19	V	30 Depreciation - leasehold improv.		Royal Management Corp.	**	8,810	8,810
20	V	30 Depreciation - equipment		Royal Management Corp.	**	24,983	24,983
21	V	32 Interest		Royal Management Corp.	**	458	458
22	V	33 Property taxes		Royal Management Corp.	**	1,991	1,991
23	V	34 Rent expense		Royal Management Corp.	**	1,797	1,797
24	V	35 Equipment rental		Royal Management Corp.	**	3,793	3,793
25	V	17 Management fees	1,252,130	Royal Management Corp.	**		(1,252,130)
26	V						
27	V						
28	V						
29	V						
30	V						
31	V						
32	V						
33	V						
34	V						
35	V						
36	V						
37	V						
38	V	** Certain owners of Lexington Health Care Center of Orland Park, Inc. own 100% of Royal Management Corp.					
39	Total		\$ 1,252,130			\$ 118,983	\$ * (1,133,147)

* Total must agree with the amount recorded on line 34 of Schedule VI.

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington of Orland Park # 0041855 Report Period Beginning: 01/01/04 Ending: 12/31/04

VII. RELATED PARTIES (continued)

C. Statement of Compensation and Other Payments to Owners, Relatives and Members of Board of Directors.

NOTE: ALL owners (even those with less than 5% ownership) and their relatives who receive any type of compensation from this home must be listed on this schedule.

	1 Name	2 Title	3 Function	4 Ownership Interest	5 Compensation Received From Other Nursing Homes*	6 Average Hours Per Work Week Devoted to this Facility and % of Total Work Week		7 Compensation Included in Costs for this Reporting Period**		8 Schedule V. Line & Column Reference	
						Hours	Percent	Description	Amount		
1	James Samatas	Owner/officer	Administrative	30.00%	See Schedule C	5	10%	Salary	\$ 42,219	L17, C7	1
2	John Samatas	Owner/officer	Admin/Plant Ops	30.00%	See Schedule C	2	4%	Salary	30,154	L17, C7	2
3	Cynthia Thiem	Owner/officer	Administrative	30.00%	See Schedule C	2	4%	Salary	30,154	L17, C7	3
4	George Samatas	Officer	Administrative	0.00%	See Schedule C	1	3%	Salary	7,346	L17, C7	4
5	Jason Samatas	VP of Operations	Administrative	0.00%	See Schedule C	7	14%	Salary	16,995	L17, C7	5
6	Dean Sweitzer	Owner*	Administrative	10.00%	99,672	5	10%	Salary	15,281	L21, C7	6
7											7
8											8
9											9
10		* Dean Sweitzer is an owner only in Lexington Health Care Center of Orland Park, Inc. He is an employee									10
11		of Royal Management Corp. and provides administrative services to Royal Management Corp. His compensation									11
12		has been allocated to all 10 Lexington facilities.									12
13								TOTAL	\$ 142,149		13

* If the owner(s) of this facility or any other related parties listed above have received compensation from other nursing homes, attach a schedule detailing the name(s) of the home(s) as well as the amount paid. THIS AMOUNT MUST AGREE TO THE AMOUNTS CLAIMED ON THE THE OTHER NURSING HOMES' COST REPORTS.

** This must include all forms of compensation paid by related entities and allocated to Schedule V of this report (i.e., management fees). FAILURE TO PROPERLY COMPLETE THIS SCHEDULE INDICATING ALL FORMS OF COMPENSATION RECEIVED FROM THIS HOME, ALL OTHER NURSING HOMES AND MANAGEMENT COMPANIES MAY RESULT IN THE DISALLOWANCE OF SUCH COMPENSATION

SEE ACCOUNTANTS' COMPILATION REPORT

Lexington Health Care Center of Orland Park, Inc.
 Provider # 0041855
 1/1/04 - 12/31/04

Schedule C

VII. Related Parties

C. Statement of Compensation and Other Payments to Owners, Relatives
 and Members of the Board of Directors

5. Compensation Received From Other Nursing Homes

<u>Name of facility</u>	<u>John Samatas</u>	<u>James Samatas</u>	<u>Cynthia Thiem</u>	<u>George Samatas</u>	<u>Jason Samatas</u>	<u>Total</u>
Lexington Health Care Center of Bloomingdale, Inc.	19,211	26,895	19,211	4,679	10,827	80,823
Lexington Health Care Center of Chicago Ridge, Inc.	25,019	35,026	25,019	6,094	14,100	105,258
Lexington Health Care Center of Elmhurst, Inc.	16,754	23,455	16,754	4,081	9,442	70,486
Lexington Health Care Center of LaGrange, Inc.	12,174	17,044	12,174	2,965	6,861	51,218
Lexington Health Care Center of Lake Zurich, Inc.	23,790	33,306	23,790	5,795	13,408	100,089
Lexington Health Care Center of Lombard, Inc.	25,019	35,026	25,019	6,094	14,100	105,258
Lexington Health Care Center of Schaumburg, Inc.	25,019	35,026	25,019	6,094	14,100	105,258
Lexington Health Care Center of Streamwood, Inc.	25,019	35,026	25,019	6,094	14,100	105,258
Lexington Health Care Center of Wheeling, Inc.	24,684	34,557	24,684	6,012	13,912	103,849
Total	196,689	275,361	196,689	47,908	110,850	827,497

See Accountants' Compilation Report

Facility Name & ID Number Lexington of Orland Park# 0041855 Report Period Beginning: 01/01/04 Ending: 12/31/04

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES ☒ NO ☐

Name of Related Organization Royal Management Corp.
 Street Address 665 W. North Avenue, Suite 500
 City / State / Zip Code Lombard, IL 60148
 Phone Number (630) 458-4700
 Fax Number (630) 458-4796

B. Show the allocation of costs below. If necessary, please attach worksheets.

	1	2	3	4	5	6	7	8	9	
	Schedule V Line Reference	Item	Unit of Allocation (i.e.,Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1	3	Housekeeping supplies	Bed Days	743,346	10	\$ 2,938	\$	98,820	390	1
2	5	Utilities - gas & electric	Bed Days	743,346	10	31,920		98,820	4,240	2
3	5	Utilities - water & sewer	Bed Days	743,346	10	846		98,820	114	3
4	5	Utilities - maintenance office	Bed Days	743,346	10	808		98,820	108	4
5	6	Management allocation - salaries	Bed Days	743,346	10	401,410	401,410	98,820	53,363	5
6	6	Repairs & maintenance	Bed Days	743,346	10	29,930		98,820	3,979	6
7	7	Management allocation - employee	Bed Days	743,346	10	48,540		98,820	6,450	7
8	10	Management allocation - salaries	Bed Days	743,346	10	567,037	567,037	98,820	75,382	8
9	15	Management allocation - employee	Bed Days	743,346	10	68,569		98,820	9,118	9
10	17	Management allocation - salaries	Bed Days	743,346	10	954,365	954,365	98,820	126,868	10
11	19	Computer consultant & supplies	Bed Days	743,346	10	106,838		98,820	14,203	11
12	19	Professional fees	Bed Days	743,346	10	66,993		98,820	8,909	12
13	20	Dues & subscriptions	Bed Days	743,346	10	7,893		98,820	1,047	13
14	20	Licenses, permits & inspections	Bed Days	743,346	10	212		98,820	30	14
15	20	Advertising - help wanted	Bed Days	743,346	10	698		98,820	93	15
16	21	Management allocation - salaries	Bed Days	743,346	10	2,466,223	2,466,223	98,820	327,858	16
17	21	Bank charges	Bed Days	743,346	10	19,618		98,820	2,607	17
18	21	Office supplies & printing	Bed Days	743,346	10	83,348		98,820	11,082	18
19	21	Postage	Bed Days	743,346	10	34,142		98,820	4,537	19
20	21	Telephone	Bed Days	743,346	10	89,797		98,820	11,937	20
21	24	Travel & seminar	Bed Days	743,346	10	36,624		98,820	4,869	21
22										22
23										23
24										24
25	TOTALS					\$ 5,018,749	\$ 4,389,035		\$ 667,184	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington of Orland Park# 0041855 Report Period Beginning: 01/01/04Ending: 12/31/04

VIII. ALLOCATION OF INDIRECT COSTS

A. Are there any costs included in this report which were derived from allocations of central office or parent organization costs? (See instructions.) YES ☒ NO ☐

Name of Related Organization Royal Management Corp.
 Street Address 665 W. North Avenue, Suite 500
 City / State / Zip Code Lombard, IL 60148
 Phone Number (630) 458-4700
 Fax Number (630) 458-4796

B. Show the allocation of costs below. If necessary, please attach worksheets.

1	2	3	4	5	6	7	8	9	
Schedule V Line Reference	Item	Unit of Allocation (i.e., Days, Direct Cost, Square Feet)	Total Units	Number of Subunits Being Allocated Among	Total Indirect Cost Being Allocated	Amount of Salary Cost Contained in Column 6	Facility Units	Allocation (col.8/col.4)x col.6	
1	25	Auto expense	Bed Days	10	\$ 94,217	\$	98,820	\$ 12,527	1
2	26	Insurance general	Bed Days	10	41,943		98,820	5,575	2
3	27	Management allocation - employee	Bed Days	10	413,634		98,820	54,987	3
4	30	Depreciation - vehicles	Bed Days	10	30,557		98,820	4,062	4
5	30	Depreciation - leasehold improv.	Bed Days	10	66,255		98,820	8,810	5
6	30	Depreciation - equipment	Bed Days	10	187,937		98,820	24,983	6
7	32	Interest	Bed Days	10	3,446		98,820	458	7
8	33	Property taxes	Bed Days	10	14,963		98,820	1,991	8
9	34	Rent expense	Bed Days	10	13,526		98,820	1,797	9
10	35	Equipment rental	Bed Days	10	28,527		98,820	3,793	10
11									11
12									12
13									13
14									14
15									15
16									16
17									17
18									18
19									19
20									20
21									21
22									22
23									23
24									24
25	TOTALS				\$ 895,005	\$		\$ 118,983	25

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington of Orland Park# 0041855

Report Period Beginning:

01/01/04

Ending:

12/31/04

IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE

A. Interest: (Complete details must be provided for each loan - attach a separate schedule if necessary.)

1		2		3	4	5	6		7	8	9	10			
	Name of Lender	Related**		Purpose of Loan	Monthly Payment Required	Date of Note	Amount of Note		Maturity Date	Interest Rate (4 Digits)	Reporting Period Interest Expense				
		YES	NO				Original	Balance							
	A. Directly Facility Related														
	Long-Term														
1	Lexington Financial Services						\$		\$			\$	1		
2	L.L.C.	X		Mortgage	Varies	12/29/98	9,000,000	8,001,666	02/01/2026	Variable		521,222	2		
3													3		
4													4		
5													5		
	Working Capital														
6	LaSalle Bank N.A.		X	Line of credit	Varies	04/06/02	1,650,000	450,000	05/31/2005	Prime		4,734	6		
7													7		
8													8		
9	TOTAL Facility Related						\$	10,650,000	\$	8,451,666			\$	525,956	9
	B. Non-Facility Related*														
10								Amortization of loan costs			6,553		10		
11								Interest income offset			(30,152)		11		
12								Allocated from management company				458		12	
13													13		
14	TOTAL Non-Facility Related						\$		\$			\$	(23,141)	14	
15	TOTALS (line 9+line14)						\$	10,650,000	\$	8,451,666			\$	502,815	15

16) Please indicate the total amount of mortgage insurance expense and the location of this expense on Sch. V. \$ N/A Line # N/A

* Any interest expense reported in this section should be adjusted out on page 5, line 14 and, consequently, page 4, col. 7.
(See instructions.) SEE ACCOUNTANTS' COMPILATION REPORT

** If there is ANY overlap in ownership between the facility and the lender, this must be indicated in column 2.
(See instructions.)

Facility Name & ID Number **Lexington of Orland Park**# **0041855**Report Period Beginning: **01/01/04**Ending: **12/31/04****IX. INTEREST EXPENSE AND REAL ESTATE TAX EXPENSE (continued)****B. Real Estate Taxes**

1. Real Estate Tax accrual used on 2003 report.		Important , please see the next worksheet, "RE_Tax". The real estate tax statement and bill must accompany the cost report.	\$	456,000	1
2. Real Estate Taxes paid during the year: (Indicate the tax year to which this payment applies. If payment covers more than one year, detail below.)		Allocated from management company	\$	1,991	
		2003	\$	448,025	2
3. Under or (over) accrual (line 2 minus line 1).			\$	(5,984)	3
4. Real Estate Tax accrual used for 2004 report. (Detail and explain your calculation of this accrual on the lines below.)			\$	462,000	4
5. Direct costs of an appeal of tax assessments which has NOT been included in professional fees or other general operating costs on Schedule V, sections A, B or C. (Describe appeal cost below. Attach copies of invoices to support the cost and a copy of the appeal filed with the county.)			\$	2,393	5
6. Subtract a refund of real estate taxes. You must offset the full amount of any direct appeal costs classified as a real estate tax cost plus one-half of any remaining refund.					
TOTAL REFUND \$ 597 For 1997 Tax Year. (Attach a copy of the real estate tax appeal board's decision.)			\$	(398)	6
7. Real Estate Tax expense reported on Schedule V, line 33. This should be a combination of lines 3 thru 6.			\$	458,011	7

Real Estate Tax History:

Real Estate Tax Bill for Calendar Year:	1999	434,461	8
	2000	441,101	9
	2001	455,748	10
	2002	435,909	11
	2003	448,025	12

2003 taxes:	448,025		
Estimated increase	1,030		
Estimated 2004 taxes	461,466		
Use:	462,000		

FOR OHF USE ONLY	
13	FROM R. E. TAX STATEMENT FOR 2003 \$ 13
14	PLUS APPEAL COST FROM LINE 5 \$ 14
15	LESS REFUND FROM LINE 6 \$ 15
16	AMOUNT TO USE FOR RATE CALCULATION \$ 16

NOTES:

1. Please indicate a negative number by use of brackets(). Deduct any overaccrual of taxes from prior year.
2. If facility is a non-profit which pays real estate taxes, you must attach a denial of an application for real estate tax exemption unless the building is rented from a for-profit entity.
This denial must be no more than four years old at the time the cost report is filed.

SEE ACCOUNTANTS' COMPILATION REPORT

IMPORTANT NOTICE

TO: Long Term Care Facilities with Real Estate Tax Rates RE: 2003 REAL ESTATE TAX COST DOCUMENTATION

In order to set the real estate tax portion of the capital rate, it is necessary that we obtain additional information regarding your calendar 2003 real estate tax costs, as well as copies of your original real estate tax bills for calendar 2003.

Please complete the Real Estate Tax Statement below and forward with a copy of your 2003 real estate tax bill to the Department of Public Aid, Office of Health Finance, 201 South Grand Avenue East, Springfield, Illinois 62763.

Please send these items in with your completed 2004 cost report. The cost report will not be considered complete and timely filed until this statement and the corresponding real estate tax bills are filed. If you have any questions,

2003 LONG TERM CARE REAL ESTATE TAX STATEMENT

FACILITY NAME Lexington of Orland Park COUNTY Cook

FACILITY IDPH LICENSE NUMBER 0041855

CONTACT PERSON REGARDING THIS REPORT Susan Rojek

TELEPHONE (630) 458-4700 FAX #: (630) 458-4795

A. Summary of Real Estate Tax Costs

Enter the tax index number and real estate tax assessed for 2003 on the lines provided below. Enter only the portion of the cost that applies to the operation of the nursing home in Column D. Real estate tax applicable to any portion of the nursing home property which is vacant, rented to other organizations, or used for purposes other than long term care must not be entered in Column D. Do not include cost for any period other than calendar year 2003.

(A)	(B)	(C)	(D)
<u>Tax Index Number</u>	<u>Property Description</u>	<u>Total Tax</u>	<u>Tax Applicable to Nursing Home</u>
1. <u>27-10-100-099-0000</u>	<u>Land and building</u>	\$ <u>448,025.00</u>	\$ <u>448,025.00</u>
2. <u>Royal Management Corp. (Samvest of Lombard II)</u>		\$ _____	\$ _____
3. <u>05-01-202-019</u>	<u>Land and building</u>	\$ <u>187,600.00</u>	\$ <u>1,991.00</u>
4. _____	_____	\$ _____	\$ _____
5. _____	_____	\$ _____	\$ _____
6. _____	_____	\$ _____	\$ _____
7. _____	_____	\$ _____	\$ _____
8. _____	_____	\$ _____	\$ _____
9. _____	_____	\$ _____	\$ _____
10. _____	_____	\$ _____	\$ _____
TOTALS		\$ <u>635,625.00</u>	\$ <u>450,016.00</u>

B. Real Estate Tax Cost Allocation:

Does any portion of the tax bill apply to more than one nursing home, vacant property, or property which is not direct used for nursing home services? YES X NO

If YES, attach an explanation & a schedule which shows the calculation of the cost allocated to the nursing home (Generally the real estate tax cost must be allocated to the nursing home based upon sq. ft. of space used)

C. Tax Bills

Attach a copy of the original 2003 tax bills which were listed in Section A to this statement. Be sure to use the 2003 tax bill which is normally paid during 2004

SEE ACCOUNTANTS' COMPILATION REPORT

A.

Square Feet:

104,332

B.

General Construction Type:

Exterior

Brick

Frame

Block and pre-cast stee

Number of Stories

3

C.

Does the Operating Entity?

☐

(a) Own the Facility

☒

(b) Rent from a Related Organization.

☐

(c) Rent from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI. Those checking (c) may complete Schedule XI or Schedule XII-A. See instructions.

D.

Does the Operating Entity?

☒

(a) Own the Equipment

☒

(b) Rent equipment from a Related Organization.

☒

(c) Rent equipment from Completely Unrelated Organization.

(Facilities checking (a) or (b) must complete Schedule XI-C. Those checking (c) may complete Schedule XI-C or Schedule XII-B. See instructions.

E.

List all other business entities owned by this operating entity or related to the operating entity that are located on or adjacent to this nursing home's ground: (such as, but not limited to, apartments, assisted living facilities, day training facilities, day care, independent living facilities, nurse aide training facilities, etc.) List entity name, type of business, square footage, and number of beds/units available (where applicable)

None

F.

Does this cost report reflect any organization or pre-operating costs which are being amortized?

☐

YES

☒

NO

If so, please complete the following:

1. Total Amount Incurred:

N/A

2. Number of Years Over Which it is Being Amortized:

N/A

3. Current Period Amortization:

N/A

4. Dates Incurred:

N/A

Nature of Costs:

(Attach a complete schedule detailing the total amount of organization and pre-operating costs.)

XI. OWNERSHIP COSTS:

A. Land.

	1	2	3	4	
	Use	Square Feet	Year Acquired	Cost	
1	Resident Care	152,460	1995	\$ 776,408	1
2	Mgmt. Co.		2002	21,315	2
3	TOTALS	152,460		\$ 797,723	3

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington of Orland Park

0041855

Report Period Beginning:

01/01/04

Ending:

12/31/04

XI. OWNERSHIP COSTS (continued)**B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar**

1	2	3	4	5	6	7	8	9	
Beds*	FOR OHF USE ONLY	Year Acquired	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation
4	250	1996	1996	\$ 8,455,949	\$	40	\$ 211,399	\$ 211,399	\$ 1,795,734
5	10	1998	1998	63,790	1,595	40	1,595		9,569
6	10	2001	2001						
7									
8									
Improvement Type**									
9	Electrical wiring	1996		2,304	58	40	58		471
10	Paving	1997		11,589		40	773	773	5,795
11	Additional building costs	1996		113,337		40	2,833	2,833	22,664
12	Wiring	1998		3,932	393	10	393		2,556
13	Additional building costs - 10 bed additior	1999		1,808	45	40	45		271
14	Seal/restrip parking lot	1999		3,450	230	15	230		1,265
15	Wiring	1999		1,798	45	40	45		247
16	Roof repairs	2000		23,201	1,547	15	1,547		6,961
17	Electrical wiring	2000		5,732	164	35	164		737
18	Ceiling mount curtain rod hardware	2000		6,952	199	35	199		894
19	Automatic door closer/sensors	2000		3,624	242	15	242		1,088
20	Seal and restripe parking lot	2001		2,277	228	10	228		797
21	HVAC control	2001		2,548	255	10	255		892
22	Infrared curtains for elevator doors	2001		4,500	450	10	450		1,575
23	Fire alarm panel	2002		5,120	512	10	512		1,280
24	Parking lot lights	2002		9,975	998	10	998		2,494
25	Chiller room compressor	2002		8,879	1,776	5	1,776		4,440
26	Carpeting	2002		7,037	1,408	5	1,408		3,519
27									
28									
29									
30									
31									
32									
33									
34									
35									
36									

*Total beds on this schedule must agree with page 2.

**Improvement type must be detailed in order for the cost report to be considered complete

See Page 12A, Line 70 for total

SEE ACCOUNTANTS' COMPILATION REPORT

XI. OWNERSHIP COSTS (continued)

B. Building Depreciation-Including Fixed Equipment. (See instructions.) Round all numbers to nearest dollar

	1	2	3	4	5	6	7	8	9	
	Improvement Type**	Year Constructed	Cost	Current Book Depreciation	Life in Years	Straight Line Depreciation	Adjustments	Accumulated Depreciation		
37	Land improvements - management company	2002	\$ 33,594	\$	15	\$ 2,219	\$ 2,219	\$ 6,532		37
38	Building - management company	2002	261,354		40	6,388	6,388	19,059		38
39	HVAC, electrical, security system - management company	2003	2,592		30	182	182	247		39
40	Key card system - management company	2004	407		20	21	21	21		40
41										41
42										42
43										43
44										44
45										45
46										46
47										47
48										48
49										49
50										50
51										51
52										52
53										53
54										54
55										55
56										56
57										57
58										58
59										59
60										60
61										61
62										62
63										63
64										64
65										65
66										66
67										67
68										68
69										69
70	TOTAL (lines 4 thru 69)		\$ 9,035,749	\$ 10,145		\$ 233,960	\$ 223,815	\$ 1,889,108		70

C. Equipment Depreciation-Excluding Transportation. (See instructions.)

	Category of Equipment	1 Cost	Current Book Depreciation 2	Straight Line Depreciation 3	4 Adjustments	Component Life 5	Accumulated Depreciation 6	
71	Purchased in Prior Years	\$ 791,224	\$ 28,374	\$ 85,949	\$ 57,575	5-10 Years	\$ 603,177	71
72	Current Year Purchases	32,205	1,317	1,317		5-10 Years	1,317	72
73	Fully Depreciated Assets	49,749				5-10 Years	49,749	73
74	Allocated from management co.	250,695		24,983	24,983		104,708	74
75	TOTALS	\$ 1,123,873	\$ 29,691	\$ 112,249	\$ 82,558		\$ 758,951	75

D. Vehicle Depreciation (See instructions.)*

	1 Use	Model, Make and Year 2	Year Acquired 3	4 Cost	Current Book Depreciation 5	Straight Line Depreciation 6	7 Adjustments	Life in Years 8	Accumulated Depreciation 9	
76				\$	\$	\$	\$		\$	76
77										77
78										78
79	Allocated from management co.			52,462		4,062	4,062		36,050	79
80	TOTALS			\$ 52,462	\$	\$ 4,062	\$ 4,062		\$ 36,050	80

E. Summary of Care-Related Assets

	1	2	
	Reference	Amount	
81	Total Historical Cost (line 3, col.4 + line 70, col.4 + line 75, col.1 + line 80, col.4) + (Pages 12B thru 12I, if applicable)	\$ 11,009,807	81
82	Current Book Depreciation (line 70, col.5 + line 75, col.2 + line 80, col.5) + (Pages 12B thru 12I, if applicable)	\$ 39,836	82
83	Straight Line Depreciation (line 70, col.7 + line 75, col.3 + line 80, col.6) + (Pages 12B thru 12I, if applicable)	\$ 350,271	83 **
84	Adjustments (line 70, col.8 + line 75, col.4 + line 80, col.7) + (Pages 12B thru 12I, if applicable)	\$ 310,435	84
85	Accumulated Depreciation (line 70, col.9 + line 75, col.6 + line 80, col.9) + (Pages 12B thru 12I, if applicable)	\$ 2,684,109	85

F. Depreciable Non-Care Assets Included in General Ledger. (See instructions.)

	1 Description & Year Acquired	2 Cost	Current Book Depreciation 3	Accumulated Depreciation 4	
86		\$	\$	\$	86
87					87
88					88
89					89
90					90
91	TOTALS	\$	\$	\$	91

G. Construction-in-Progress

	Description	Cost	
92	Therapy/Reception Remodeling	\$ 10,939	92
93			93
94			94
95		\$ 10,939	95

* Vehicles used to transport residents to & from day training must be recorded in XI-F, not XI-D.

** This must agree with Schedule V line 30, column 8.

SEE ACCOUNTANTS' COMPILATION REPORT

XII. RENTAL COSTS

A. Building and Fixed Equipment (See instructions.)

1. Name of Party Holding Lease: N/A

2. Does the facility also pay real estate taxes in addition to rental amount shown below on line 7, column 4? _____

If NO, see instructions.

☐ YES ☐ NO

		1 Year Constructed	2 Number of Beds	3 Original Lease Date	4 Rental Amount	5 Total Years of Lease	6 Total Years Renewal Option*	
3	Original Building:				\$			3
4	Additions							4
5								5
6	Allocated from management co.				1,797			6
7	TOTAL				\$ 1,797			7

8. List separately any amortization of lease expense included on page 4, line 34.

This amount was calculated by dividing the total amount to be amortized
by the length of the lease _____.

9. Option to Buy: ☐ YES ☐ NO Terms: _____ *

B. Equipment-Excluding Transportation and Fixed Equipment. (See instructions.)

15. Is Movable equipment rental included in building rental?

☐ YES ☒ NO

16. Rental Amount for movable equipment: \$ 11,803 Description: Copier: \$5,744, postage machine \$2,266; allocated from management co. \$3,793
(Attach a schedule detailing the breakdown of movable equipment)

10. Effective dates of current rental agreement:

Beginning _____

Ending _____

11. Rent to be paid in future years under the current rental agreement:

Fiscal Year Ending Annual Rent

12. _____/2005 \$ _____

13. _____/2006 \$ _____

14. _____/2007 \$ _____

C. Vehicle Rental (See instructions.)

	1 Use	2 Model Year and Make	3 Monthly Lease Payment	4 Rental Expense for this Period	
17			\$	\$	17
18					18
19					19
20					20
21	TOTAL		\$	\$	21

* If there is an option to buy the building,
please provide complete details on attached
schedule.

** This amount plus any amortization of lease
expense must agree with page 4, line 34.

SEE ACCOUNTANTS' COMPILATION REPORT

A. TYPE OF TRAINING PROGRAM (If aides are trained in another facility program, attach a schedule listing the facility name, address and cost per aide trained in that facility.)

<p>1. HAVE YOU TRAINED AIDES DURING THIS REPORT PERIOD?</p> <p><input type="checkbox"/> YES <input checked="" type="checkbox"/> NO</p> <p>It is the policy of this facility to only hire certified nurses aides. If "yes", please complete the remainder of this schedule. If "no", provide an explanation as to why this training was not necessary.</p>	<p>2. CLASSROOM PORTION:</p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>COMMUNITY COLLEGE <input type="checkbox"/></p> <p>HOURS PER AIDE _____</p>	<p>3. CLINICAL PORTION:</p> <p>IN-HOUSE PROGRAM <input type="checkbox"/></p> <p>IN OTHER FACILITY <input type="checkbox"/></p> <p>HOURS PER AIDE _____</p>
---	--	---

B. EXPENSES

ALLOCATION OF COSTS (d)

		1	2	3	4
		Facility			
		Drop-outs	Completed	Contract	Total
1	Community College Tuition	\$	\$	\$	\$
2	Books and Supplies				
3	Classroom Wages (a)				
4	Clinical Wages (b)				
5	In-House Trainer Wages (c)				
6	Transportation				
7	Contractual Payments				
8	Nurse Aide Competency Tests				
9	TOTALS	\$	\$	\$	\$
10	SUM OF line 9, col. 1 and 2 (e)	\$			

- (a) Include wages paid during the classroom portion of training. Do not include fringe benefits.
 (b) Include wages paid during the clinical portion of training. Do not include fringe benefits.
 (c) For in-house training programs only. Do not include fringe benefits.
 (d) Allocate based on if the aide is from your facility or is being contracted to be trained in your facility. Drop-out costs can only be for costs incurred by your own aides.

C. CONTRACTUAL INCOME

In the box below record the amount of income your facility received training aides from other facilities.

\$ _____

D. NUMBER OF AIDES TRAINED

COMPLETED	
1. From this facility	
2. From other facilities (f)	
DROP-OUTS	
1. From this facility	
2. From other facilities (f)	
TOTAL TRAINED	

- (e) The total amount of Drop-out and Completed Costs for your own aides must agree with Sch. V, line 13, col. 8.
 (f) Attach a schedule of the facility names and addresses of those facilities for which you trained aides.
 SEE ACCOUNTANTS' COMPILATION REPORT

XIV. SPECIAL SERVICES (Direct Cost) (See instructions.)

		1	2	3	4	5	6	7	8	
	Service	Schedule V Line & Column Reference	Staff		Outside Practitioner (other than consultant)		Supplies (Actual or Allocated)	Total Units (Column 2 + 4)	Total Cost (Col. 3 + 5 + 6)	
			Units of Service	Cost	Units	Cost				
					Units	Cost				
1	Licensed Occupational Therapist	L10A, C3	hrs	\$	6,981	\$ 537,303	\$	6,981	\$ 537,303	1
2	Licensed Speech and Language Development Therapist	L10A, C3	hrs		913	59,606		913	59,606	2
3	Licensed Recreational Therapist		hrs							3
4	Licensed Physical Therapist	L10A, C3	hrs		12,370	675,022		12,370	675,022	4
5	Physician Care		visits							5
6	Dental Care		visits							6
7	Work Related Program		hrs							7
8	Habilitation		hrs							8
9	Pharmacy	L39, C2	# of prescrpts				313,721		313,721	9
	Psychological Services (Evaluation and Diagnosis/ Behavior Modification)		hrs							
10	Academic Education		hrs							10
11	Exceptional Care Program									11
12										12
13	Other (specify): Wound Therapy	L10A, C3				8,008			8,008	13
14	TOTAL			\$	20,264	\$ 1,279,939	\$ 313,721	20,264	\$ 1,593,660	14

NOTE: This schedule should include fees (other than consultant fees) paid to licensed practitioners. Consultant fees should be detailed on Schedule XVIII-B. Salaries of unlicensed practitioners, such as nurse aides, who help with the above activities should not be listed on this schedule.

SEE ACCOUNTANTS' COMPILATION REPORT

This report must be completed even if financial statements are attached.

		1 Operating	2 After Consolidation*	
	A. Current Assets			
1	Cash on Hand and in Banks	\$ 316,399	\$ 329,357	1
2	Cash-Patient Deposits			2
3	Accounts & Short-Term Notes Receivable-Patients (less allowance 1,224,000)	2,704,243	2,704,243	3
4	Supply Inventory (priced at)			4
5	Short-Term Investments			5
6	Prepaid Insurance	135,549	135,549	6
7	Other Prepaid Expenses	4,913	4,913	7
8	Accounts Receivable (owners or related parties)	1,000	1,000	8
9	Other(specify):			9
10	TOTAL Current Assets (sum of lines 1 thru 9)	\$ 3,162,104	\$ 3,175,062	10
	B. Long-Term Assets			
11	Long-Term Notes Receivable			11
12	Long-Term Investments	81,527	81,527	12
13	Land		797,723	13
14	Buildings, at Historical Cost		8,569,286	14
15	Leasehold Improvements, at Historical Cost	156,927	466,463	15
16	Equipment, at Historical Cost	297,396	1,176,335	16
17	Accumulated Depreciation (book methods)	(203,884)	(2,684,109)	17
18	Deferred Charges			18
19	Organization & Pre-Operating Costs			19
20	Accumulated Amortization - Organization & Pre-Operating Costs			20
21	Restricted Funds			21
22	Other Long-Term Assets (specify: construction in progress)	10,939	10,939	22
23	Other(specify): Unamortized mortgage costs		126,306	23
24	TOTAL Long-Term Assets (sum of lines 11 thru 23)	\$ 342,905	\$ 8,544,470	24
25	TOTAL ASSETS (sum of lines 10 and 24)	\$ 3,505,009	\$ 11,719,532	25

		1 Operating	2 After Consolidation*	
	C. Current Liabilities			
26	Accounts Payable	\$ 514,601	\$ 514,601	26
27	Officer's Accounts Payable			27
28	Accounts Payable-Patient Deposits			28
29	Short-Term Notes Payable	450,000	450,000	29
30	Accrued Salaries Payable	227,824	227,824	30
31	Accrued Taxes Payable (excluding real estate taxes)	13,192	13,192	31
32	Accrued Real Estate Taxes(Sch.IX-B)		462,000	32
33	Accrued Interest Payable		61,297	33
34	Deferred Compensation			34
35	Federal and State Income Taxes			35
	Other Current Liabilities(specify):			
36	See attached Schedule E	576,798	117,174	36
37				37
38	TOTAL Current Liabilities (sum of lines 26 thru 37)	\$ 1,782,415	\$ 1,846,088	38
	D. Long-Term Liabilities			
39	Long-Term Notes Payable			39
40	Mortgage Payable		8,001,666	40
41	Bonds Payable			41
42	Deferred Compensation			42
	Other Long-Term Liabilities(specify):			
43	Interest rate swap liability		448,676	43
44				44
45	TOTAL Long-Term Liabilities (sum of lines 39 thru 44)	\$	\$ 8,450,342	45
46	TOTAL LIABILITIES (sum of lines 38 and 45)	\$ 1,782,415	\$ 10,296,430	46
47	TOTAL EQUITY(page 18, line 24)	\$ 1,722,594	\$ 1,423,102	47
48	TOTAL LIABILITIES AND EQUITY (sum of lines 46 and 47)	\$ 3,505,009	\$ 11,719,532	48

SEE ACCOUNTANTS' COMPILATION REPORT

*(See instructions.)

Lexington Health Care Center of Orland Park, Inc.

Provider # 0041855

1/1/04 - 12/31/04

Schedule E

XV. Balance Sheet

C. Current Liabilities

36. Other Current Liabilities

<u>Description</u>	<u>Operating</u>	<u>After Consolidation</u>
Accrued rent	461,593	-
Accrued management fees	42,767	42,767
Accrued 401 (k) contribution	12,078	12,078
Due from affiliates	4,526	4,526
Due from Royal	9,895	9,895
Due from -		1,969
Bond withholding	1,258	1,258
Due to related party	284	284
Other accrued expenses	<u>44,397</u>	<u>44,397</u>
Total line 36	<u>576,798</u>	<u>117,174</u>

XVII. Income Statement

E. Other Revenue

28. Other Revenue

<u>Description</u>	<u>Amount</u>
Miscellaneous Income	191
Investment income in Lexington Financial Services, L.L	1,557
Total line 28	<u>1,748</u>

See Accountants' Compilation Report

		1 Total	
1	Balance at Beginning of Year, as Previously Reported	\$ 2,602,853	1
2	Restatements (describe):		2
3	Post-closing Adjustments	(426,113)	3
4			4
5			5
6	Balance at Beginning of Year, as Restated (sum of lines 1-5)	\$ 2,176,740	6
	A. Additions (deductions):		
7	NET Income (Loss) (from page 19, line 43)	1,045,854	7
8	Aquisitions of Pooled Companies		8
9	Proceeds from Sale of Stock		9
10	Stock Options Exercised		10
11	Contributions and Grants		11
12	Expenditures for Specific Purposes		12
13	Dividends Paid or Other Distributions to Owners	(1,500,000)	13
14	Donated Property, Plant, and Equipment		14
15	Other (describe)		15
16	Other (describe)		16
17	TOTAL Additions (deductions) (sum of lines 7-16)	\$ (454,146)	17
	B. Transfers (Itemize):		
18			18
19			19
20			20
21			21
22			22
23	TOTAL Transfers (sum of lines 18-22)	\$	23
24	BALANCE AT END OF YEAR (sum of lines 6 + 17 + 23)	\$ 1,722,594	24 *

Operating Entity Only

* This must agree with page 17, line 47.

SEE ACCOUNTANTS' COMPILATION REPORT

STATE OF ILLINOIS

Page 19

Facility Name & ID Number Lexington of Orland Park

0041855

Report Period Beginning: 01/01/04

Ending:

12/31/04

XVII. INCOME STATEMENT (attach any explanatory footnotes necessary to reconcile this schedule to Schedules V and VI.) All required classifications of revenue and expense must be provided on this form, even if financial statements are attached.

Note: This schedule should show gross revenue and expenses. Do not net revenue against expense.

1			
	Revenue	Amount	
A. Inpatient Care			
1	Gross Revenue -- All Levels of Care	\$ 11,648,538	1
2	Discounts and Allowances for all Levels	(972,530)	2
3	SUBTOTAL Inpatient Care (line 1 minus line 2)	\$ 10,676,008	3
B. Ancillary Revenue			
4	Day Care		4
5	Other Care for Outpatients		5
6	Therapy	2,265,855	6
7	Oxygen	931	7
8	SUBTOTAL Ancillary Revenue (lines 4 thru 7)	\$ 2,266,786	8
C. Other Operating Revenue			
9	Payments for Education		9
10	Other Government Grants		10
11	Nurses Aide Training Reimbursements		11
12	Gift and Coffee Shop	11,904	12
13	Barber and Beauty Care	38,261	13
14	Non-Patient Meals	102	14
15	Telephone, Television and Radio		15
16	Rental of Facility Space		16
17	Sale of Drugs	358,336	17
18	Sale of Supplies to Non-Patients		18
19	Laboratory	19,476	19
20	Radiology and X-Ray	17,258	20
21	Other Medical Services	30,360	21
22	Laundry	977	22
23	SUBTOTAL Other Operating Revenue (lines 9 thru 22)	\$ 476,674	23
D. Non-Operating Revenue			
24	Contributions		24
25	Interest and Other Investment Income***	30,152	25
26	SUBTOTAL Non-Operating Revenue (lines 24 and 25)	\$ 30,152	26
E. Other Revenue (specify):****			
27	Settlement Income (Insurance, Legal, Etc.)		27
28	See attached Schedule E	1,748	28
28a			28a
29	SUBTOTAL Other Revenue (lines 27, 28 and 28a)	\$ 1,748	29
30	TOTAL REVENUE (sum of lines 3, 8, 23, 26 and 29)	\$ 13,451,368	30

2			
	Expenses	Amount	
A. Operating Expenses			
31	General Services	1,493,849	31
32	Health Care	5,493,169	32
33	General Administration	2,819,296	33
B. Capital Expense			
34	Ownership	1,946,204	34
C. Ancillary Expense			
35	Special Cost Centers	504,766	35
36	Provider Participation Fee	148,230	36
D. Other Expenses (specify):			
37			37
38			38
39			39
40	TOTAL EXPENSES (sum of lines 31 thru 39)*	\$ 12,405,514	40
41	Income before Income Taxes (line 30 minus line 40)**	1,045,854	41
42	Income Taxes		42
43	NET INCOME OR LOSS FOR THE YEAR (line 41 minus line 42)	\$ 1,045,854	43

* This must agree with page 4, line 45, column 4.

** Does this agree with taxable income (loss) per Federal Income Tax Return? No If not, please attach a reconciliation.
This entity files a cash basis tax return.

*** See the instructions. If this total amount has not been offset against interest expense on Schedule V, line 32, please include a detailed explanation. SEE ACCOUNTANTS' COMPILATION REPORT

****Provide a detailed breakdown of "Other Revenue" on an attached sheet.

Facility Name & ID Number **Lexington of Orland Park**# **0041855**Report Period Beginning: **01/01/04**Ending: **12/31/04**

12/31/04

XVIII. A. STAFFING AND SALARY COSTS (Please report each line separately.)

(This schedule must cover the entire reporting period.)

		1	2**	3	4	
		# of Hrs. Actually Worked	# of Hrs. Paid and Accrued	Reporting Period Total Salaries, Wages	Average Hourly Wage	
1	Director of Nursing	1,990	2,272	\$ 93,043	\$ 40.95	1
2	Assistant Director of Nursing	7,379	7,776	228,955	29.44	2
3	Registered Nurses	23,186	25,506	693,656	27.20	3
4	Licensed Practical Nurses	43,966	46,082	1,062,152	23.05	4
5	Nurse Aides & Orderlies	118,813	124,584	1,368,983	10.99	5
6	Nurse Aide Trainees					6
7	Licensed Therapist					7
8	Rehab/Therapy Aides	5,874	6,258	70,894	11.33	8
9	Activity Director	3,187	3,407	49,195	14.44	9
10	Activity Assistants	16,776	17,509	164,007	9.37	10
11	Social Service Workers	4,489	4,862	100,342	20.64	11
12	Dietician	1,952	2,089	27,652	13.24	12
13	Food Service Supervisor	1,977	2,169	33,768	15.57	13
14	Head Cook	2,081	2,169	25,961	11.97	14
15	Cook Helpers/Assistants	14,387	15,557	119,479	7.68	15
16	Dishwashers	17,471	18,235	110,984	6.09	16
17	Maintenance Workers	4,161	4,401	45,432	10.32	17
18	Housekeepers	39,088	41,805	282,794	6.76	18
19	Laundry	10,274	10,875	68,107	6.26	19
20	Administrator	2,340	2,459	110,386	44.89	20
21	Assistant Administrator					21
22	Other Administrative					22
23	Office Manager					23
24	Clerical	19,270	20,709	300,626	14.52	24
25	Vocational Instruction					25
26	Academic Instruction					26
27	Medical Director					27
28	Qualified MR Prof. (QMRP)					28
29	Resident Services Coordinator					29
30	Habilitation Aides (DD Homes)					30
31	Medical Records					31
32	Other Health Care(specify)					32
33	Other(specify)					33
34	TOTAL (lines 1 - 33)	338,661	358,724	\$ 4,956,416 *	\$ 13.82	34

* This total must agree with page 4, column 1, line 45.

** See instructions.

B. CONSULTANT SERVICES

		1	2	3	
		Number of Hrs. Paid & Accrued	Total Consultant Cost for Reporting Period	Schedule V Line & Column Reference	
35	Dietary Consultant	316	\$ 15,715	L1,C3	35
36	Medical Director	Monthly	45,000	L9,C3	36
37	Medical Records Consultant	20	1,125	L10,C3	37
38	Nurse Consultant	17	988	L10,C3	38
39	Pharmacist Consultant	Monthly	1,200	L10,C3	39
40	Physical Therapy Consultant				40
41	Occupational Therapy Consultant				41
42	Respiratory Therapy Consultant				42
43	Speech Therapy Consultant				43
44	Activity Consultant	101	4,819	L11,C3	44
45	Social Service Consultant	Monthly	4,927	L12,C3	45
46	Other(specify)				46
47					47
48					48
49	TOTAL (lines 35 - 48)	454	\$ 73,774		49

C. CONTRACT NURSES

		1	2	3	
		Number of Hrs. Paid & Accrued	Total Contract Wages	Schedule V Line & Column Reference	
50	Registered Nurses	122	\$ 3,052	L10,C3	50
51	Licensed Practical Nurses				51
52	Nurse Aides				52
53	TOTAL (lines 50 - 52)	122	\$ 3,052		53

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number **Lexington of Orland Park**

XIX. SUPPORT SCHEDULES

STATE OF ILLINOIS

0041855

Report Period Beginning: **01/01/04**

Page 21

Ending: **12/31/04**

<p>A. Administrative Salaries</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;">Name</th> <th style="width: 10%;">Function</th> <th style="width: 10%;">Ownership %</th> <th style="width: 10%;">Amount</th> </tr> </thead> <tbody> <tr> <td>Randi Kennard</td> <td>Administrator</td> <td>0</td> <td style="text-align: right;">\$ 110,386</td> </tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td><td> </td></tr> <tr> <td colspan="3">TOTAL (agree to Schedule V, line 17, col. 1) (List each licensed administrator separately.)</td> <td style="text-align: right;">\$ 110,386</td> </tr> </tbody> </table> <p>B. Administrative - Other</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 70%;">Description</th> <th style="width: 30%;">Amount</th> </tr> </thead> <tbody> <tr> <td>Management fees (eliminated in column 7)</td> <td style="text-align: right;">1,252,130</td> </tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr> <td>TOTAL (agree to Schedule V, line 17, col. 3) (Attach a copy of any management service agreement)</td> <td style="text-align: right;">\$ 1,252,130</td> </tr> </tbody> </table> <p>C. Professional Services</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 30%;">Vendor/Payee</th> <th style="width: 10%;">Type</th> <th style="width: 10%;">Amount</th> </tr> </thead> <tbody> <tr> <td>Altschuler,Melvoin&Glasser,LLP</td> <td>Accounting</td> <td style="text-align: right;">\$ 23,139</td> </tr> <tr> <td>Amalgamated Bank</td> <td>Consulting</td> <td style="text-align: right;">775</td> </tr> <tr> <td>American Express Tax & Bus Svcs</td> <td>Accounting</td> <td style="text-align: right;">23,445</td> </tr> <tr> <td>Avail Corporation</td> <td>Accounting</td> <td style="text-align: right;">229</td> </tr> <tr> <td>Cassidy Schade & Gloor</td> <td>Legal</td> <td style="text-align: right;">4,593</td> </tr> <tr> <td>Katten,Muchin,Zavis&Rosenman</td> <td>Legal</td> <td style="text-align: right;">1,475</td> </tr> <tr> <td>Moody's Investor Services</td> <td>Bond Rating Fee</td> <td style="text-align: right;">904</td> </tr> <tr> <td>Personnel Planners</td> <td>U/C Consulting</td> <td style="text-align: right;">3,420</td> </tr> <tr> <td>James Samatas</td> <td>Legal</td> <td style="text-align: right;">229</td> </tr> <tr><td> </td><td> </td><td> </td></tr> <tr> <td>Attached Schedule F</td> <td> </td> <td style="text-align: right;">48,262</td> </tr> <tr><td> </td><td> </td><td> </td></tr> <tr> <td>TOTAL (agree to Schedule V, line 19, column 3) (If total legal fees exceed \$2500 attach copy of invoices.)</td> <td> </td> <td style="text-align: right;">\$ 106,471</td> </tr> </tbody> </table>	Name	Function	Ownership %	Amount	Randi Kennard	Administrator	0	\$ 110,386																					TOTAL (agree to Schedule V, line 17, col. 1) (List each licensed administrator separately.)			\$ 110,386	Description	Amount	Management fees (eliminated in column 7)	1,252,130					TOTAL (agree to Schedule V, line 17, col. 3) (Attach a copy of any management service agreement)	\$ 1,252,130	Vendor/Payee	Type	Amount	Altschuler,Melvoin&Glasser,LLP	Accounting	\$ 23,139	Amalgamated Bank	Consulting	775	American Express Tax & Bus Svcs	Accounting	23,445	Avail Corporation	Accounting	229	Cassidy Schade & Gloor	Legal	4,593	Katten,Muchin,Zavis&Rosenman	Legal	1,475	Moody's Investor Services	Bond Rating Fee	904	Personnel Planners	U/C Consulting	3,420	James Samatas	Legal	229				Attached Schedule F		48,262				TOTAL (agree to Schedule V, line 19, column 3) (If total legal fees exceed \$2500 attach copy of invoices.)		\$ 106,471	<p>D. Employee Benefits and Payroll Taxes</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;">Description</th> <th style="width: 40%;">Amount</th> </tr> </thead> <tbody> <tr> <td>Workers' Compensation Insurance</td> <td style="text-align: right;">\$ 87,126</td> </tr> <tr> <td>Unemployment Compensation Insurance</td> <td style="text-align: right;">99,885</td> </tr> <tr> <td>FICA Taxes</td> <td style="text-align: right;">363,851</td> </tr> <tr> <td>Employee Health Insurance</td> <td style="text-align: right;">127,609</td> </tr> <tr> <td>Employee Meals</td> <td style="text-align: right;">13,895</td> </tr> <tr> <td>Illinois Municipal Retirement Fund (IMRF)*</td> <td> </td> </tr> <tr> <td>401(k) contribution</td> <td style="text-align: right;">8,881</td> </tr> <tr> <td>Other employee benefits</td> <td style="text-align: right;">27,011</td> </tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr> <td>TOTAL (agree to Schedule V, line 22, col.8)</td> <td style="text-align: right;">\$ 728,258</td> </tr> </tbody> </table> <p>E. Schedule of Non-Cash Compensation Paid to Owners or Employees</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 40%;">Description</th> <th style="width: 10%;">Line #</th> <th style="width: 50%;">Amount</th> </tr> </thead> <tbody> <tr> <td>N/A</td> <td> </td> <td> </td> </tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr> <td>TOTAL</td> <td> </td> <td style="text-align: right;">\$ </td> </tr> </tbody> </table>	Description	Amount	Workers' Compensation Insurance	\$ 87,126	Unemployment Compensation Insurance	99,885	FICA Taxes	363,851	Employee Health Insurance	127,609	Employee Meals	13,895	Illinois Municipal Retirement Fund (IMRF)*		401(k) contribution	8,881	Other employee benefits	27,011									TOTAL (agree to Schedule V, line 22, col.8)	\$ 728,258	Description	Line #	Amount	N/A																														TOTAL		\$	<p>F. Dues, Fees, Subscriptions and Promotions</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;">Description</th> <th style="width: 40%;">Amount</th> </tr> </thead> <tbody> <tr> <td>IDPH License Fee</td> <td style="text-align: right;">\$ </td> </tr> <tr> <td>Advertising: Employee Recruitment</td> <td style="text-align: right;">2,660</td> </tr> <tr> <td>Health Care Worker Background Check (Indicate # of checks performed 166)</td> <td style="text-align: right;">2,000</td> </tr> <tr> <td>Miscellaneous licenses, permits & inspec.</td> <td style="text-align: right;">9,076</td> </tr> <tr> <td>Miscellaneous dues and subscriptions</td> <td style="text-align: right;">107</td> </tr> <tr><td> </td><td> </td></tr> <tr> <td>Allocated from management company</td> <td style="text-align: right;">1,170</td> </tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr> <td>Less: Public Relations Expense</td> <td style="text-align: right;">()</td> </tr> <tr> <td>Non-allowable advertising</td> <td style="text-align: right;">()</td> </tr> <tr> <td>Yellow page advertising</td> <td style="text-align: right;">()</td> </tr> <tr> <td>TOTAL (agree to Sch. V, line 20, col. 8)</td> <td style="text-align: right;">\$ 15,013</td> </tr> </tbody> </table> <p>G. Schedule of Travel and Seminar**</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;">Description</th> <th style="width: 40%;">Amount</th> </tr> </thead> <tbody> <tr> <td>Out-of-State Travel</td> <td style="text-align: right;">\$ </td> </tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr> <td>In-State Travel</td> <td> </td> </tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr><td> </td><td> </td></tr> <tr> <td>Seminar Expense</td> <td style="text-align: right;">3,273</td> </tr> <tr><td> </td><td> </td></tr> <tr> <td>Allocated from management company</td> <td style="text-align: right;">4,869</td> </tr> <tr><td> </td><td> </td></tr> <tr> <td>Entertainment Expense</td> <td style="text-align: right;">()</td> </tr> <tr> <td>(agree to Sch. V, line 24, col. 8)</td> <td> </td> </tr> <tr> <td>TOTAL</td> <td style="text-align: right;">\$ 8,142</td> </tr> </tbody> </table>	Description	Amount	IDPH License Fee	\$	Advertising: Employee Recruitment	2,660	Health Care Worker Background Check (Indicate # of checks performed 166)	2,000	Miscellaneous licenses, permits & inspec.	9,076	Miscellaneous dues and subscriptions	107			Allocated from management company	1,170					Less: Public Relations Expense	()	Non-allowable advertising	()	Yellow page advertising	()	TOTAL (agree to Sch. V, line 20, col. 8)	\$ 15,013	Description	Amount	Out-of-State Travel	\$					In-State Travel								Seminar Expense	3,273			Allocated from management company	4,869			Entertainment Expense	()	(agree to Sch. V, line 24, col. 8)		TOTAL	\$ 8,142
Name	Function	Ownership %	Amount																																																																																																																																																																																																													
Randi Kennard	Administrator	0	\$ 110,386																																																																																																																																																																																																													
TOTAL (agree to Schedule V, line 17, col. 1) (List each licensed administrator separately.)			\$ 110,386																																																																																																																																																																																																													
Description	Amount																																																																																																																																																																																																															
Management fees (eliminated in column 7)	1,252,130																																																																																																																																																																																																															
TOTAL (agree to Schedule V, line 17, col. 3) (Attach a copy of any management service agreement)	\$ 1,252,130																																																																																																																																																																																																															
Vendor/Payee	Type	Amount																																																																																																																																																																																																														
Altschuler,Melvoin&Glasser,LLP	Accounting	\$ 23,139																																																																																																																																																																																																														
Amalgamated Bank	Consulting	775																																																																																																																																																																																																														
American Express Tax & Bus Svcs	Accounting	23,445																																																																																																																																																																																																														
Avail Corporation	Accounting	229																																																																																																																																																																																																														
Cassidy Schade & Gloor	Legal	4,593																																																																																																																																																																																																														
Katten,Muchin,Zavis&Rosenman	Legal	1,475																																																																																																																																																																																																														
Moody's Investor Services	Bond Rating Fee	904																																																																																																																																																																																																														
Personnel Planners	U/C Consulting	3,420																																																																																																																																																																																																														
James Samatas	Legal	229																																																																																																																																																																																																														
Attached Schedule F		48,262																																																																																																																																																																																																														
TOTAL (agree to Schedule V, line 19, column 3) (If total legal fees exceed \$2500 attach copy of invoices.)		\$ 106,471																																																																																																																																																																																																														
Description	Amount																																																																																																																																																																																																															
Workers' Compensation Insurance	\$ 87,126																																																																																																																																																																																																															
Unemployment Compensation Insurance	99,885																																																																																																																																																																																																															
FICA Taxes	363,851																																																																																																																																																																																																															
Employee Health Insurance	127,609																																																																																																																																																																																																															
Employee Meals	13,895																																																																																																																																																																																																															
Illinois Municipal Retirement Fund (IMRF)*																																																																																																																																																																																																																
401(k) contribution	8,881																																																																																																																																																																																																															
Other employee benefits	27,011																																																																																																																																																																																																															
TOTAL (agree to Schedule V, line 22, col.8)	\$ 728,258																																																																																																																																																																																																															
Description	Line #	Amount																																																																																																																																																																																																														
N/A																																																																																																																																																																																																																
TOTAL		\$																																																																																																																																																																																																														
Description	Amount																																																																																																																																																																																																															
IDPH License Fee	\$																																																																																																																																																																																																															
Advertising: Employee Recruitment	2,660																																																																																																																																																																																																															
Health Care Worker Background Check (Indicate # of checks performed 166)	2,000																																																																																																																																																																																																															
Miscellaneous licenses, permits & inspec.	9,076																																																																																																																																																																																																															
Miscellaneous dues and subscriptions	107																																																																																																																																																																																																															
Allocated from management company	1,170																																																																																																																																																																																																															
Less: Public Relations Expense	()																																																																																																																																																																																																															
Non-allowable advertising	()																																																																																																																																																																																																															
Yellow page advertising	()																																																																																																																																																																																																															
TOTAL (agree to Sch. V, line 20, col. 8)	\$ 15,013																																																																																																																																																																																																															
Description	Amount																																																																																																																																																																																																															
Out-of-State Travel	\$																																																																																																																																																																																																															
In-State Travel																																																																																																																																																																																																																
Seminar Expense	3,273																																																																																																																																																																																																															
Allocated from management company	4,869																																																																																																																																																																																																															
Entertainment Expense	()																																																																																																																																																																																																															
(agree to Sch. V, line 24, col. 8)																																																																																																																																																																																																																
TOTAL	\$ 8,142																																																																																																																																																																																																															

* Attach copy of IMRF notifications

SEE ACCOUNTANTS' COMPILATION REPORT

**See instructions.

Lexington Health Care Center of Orland Park, Inc.
 Provider # 0041855
 1/1/04 - 12/31/04

Schedule F

XIX. Support Schedules

C. Professional Services

<u>Vendor/Payee</u>	<u>Type</u>	<u>Amount</u>
Sachnoff and Weaver	Legal	23,945
Serpico & Novelle	Legal	5,814
National Datacare	Computer Services	2250
Information Controls, Inc.	Computer Services	1,445
Advanced Answers on Demand	Computer Services	2,652
Gigatrend	Computer Services	195
AdminaStar Federal	Computer Services	396
eHealth Data Solutions	Computer Services	3,600
Lanac	Computer Services	792
Covad Communications	Computer Services	1,233
Grabowski Law Center	Collections	2,249
Cash Receipts/Freedman	Collections	1,535
Carol Jeschke	Scheduling	2,156
		<u>48,262</u>
Total, Agrees to Schedule V, Line 19, Column 3		<u>106,471</u>

Allocated from management co.

American Express Tax & Business Services	Accounting	402
Altschuler, Melvoin & Glasser, LLP	Accounting	644
Account Temps	Accounting	1,100
Avail Corporation	Accounting	30
Gilson, Labus and Silverman	Accounting	335
Personnel Planners	U/C Consulting	17
Doris Fischer	Medicaid Billing Specialist	2,832
Eric Haider	Consultant	34
Gene Whitehorn	Medicaid Billing Specialist	978
Susan Parker, LCSW	DNR Consulting	13
James Samatas	Legal	49
Sachnoff and Weaver	Legal	1,320
ING / Pension Administrators	401 (k) Administration	1,155
Various	Computer Consulting	14,203
Allocated from building partnership		
James Samatas	Legal	118
Dennis W. Hetler & Associates	Real estate tax appeal	2,194
Nonallowable legal fees		
Freedman, Anselmo, & Lindberg	Collection fees	(1,535)
Grabowski & Greene	Collection fees	(2,249)
Katten, Muchin, Zavis and Rosenman	Out of period legal fees	(1,240)
Reclassifications		
Dennis W. Hetler & Associates	Real estate tax appeal	(2,194)
Total, Agrees to Schedule V, Line 19, Column 8		<u>124,677</u>

See Accountants' Compilation Report

XIX-H. SUPPORT SCHEDULE - DEFERRED MAINTENANCE COSTS (which have been included in Sch. V, line 6, col. 3).
(See instructions.)

	1 Improvement Type	2 Month & Year Improvement Was Made	3 Total Cost	4 Useful Life	5 6 7 8 9 10 11 12 13 Amount of Expense Amortized Per Year								
					FY2001	FY2002	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008	FY2009
1			\$	3	\$	\$	\$	\$	\$	\$	\$	\$	\$
2													
3													
4													
5													
6													
7													
8													
9													
10													
11													
12													
13													
14													
15													
16													
17													
18													
19													
20	TOTALS		\$		\$	\$	\$	\$	\$	\$	\$	\$	\$

SEE ACCOUNTANTS' COMPILATION REPORT

Facility Name & ID Number Lexington of Orland Park

STATE OF ILLINOIS

0041855

Report Period Beginning:

01/01/04

Ending:

Page 23

12/31/04

XX. GENERAL INFORMATION:

- (1) Are nursing employees (RN,LPN,NA) represented by a union? No
- (2) Are there any dues to nursing home associations included on the cost report? No
If YES, give association name and amount. N/A
- (3) Did the nursing home make political contributions or payments to a political organization? Yes If YES, have these costs been properly adjusted out of the cost report? Yes
- (4) Does the bed capacity of the building differ from the number of beds licensed at the end of the fiscal year? No If YES, what is the capacity? N/A
- (5) Have you properly capitalized all major repairs and equipment purchases? Yes
What was the average life used for new equipment added during this period? 7.5 Years
- (6) Indicate the total amount of both disposable and non-disposable diaper expense and the location of this expense on Sch. V. \$ 62,208 Line 10
- (7) Have all costs reported on this form been determined using accounting procedures consistent with prior reports? Yes If NO, attach a complete explanation.
- (8) Are you presently operating under a sale and leaseback arrangement? No
If YES, give effective date of lease. N/A
- (9) Are you presently operating under a sublease agreement? YES X NO
- (10) Was this home previously operated by a related party (as is defined in the instructions for Schedule VII)? YES NO X If YES, please indicate name of the facility, IDPH license number of this related party and the date the present owners took over N/A
- (11) Indicate the amount of the Provider Participation Fees paid and accrued to the Department of Public Aid during this cost report period. \$ 148,230
This amount is to be recorded on line 42 of Schedule V.
- (12) Are there any salary costs which have been allocated to more than one line on Schedule V for an individual employee? No If YES, attach an explanation of the allocation.

SEE ACCOUNTANTS' COMPILATION REPORT

- (13) Have costs for all supplies and services which are of the type that can be billed to the Department of Public Aid, in addition to the daily rate, been properly classified in the Ancillary Section of Schedule V? Yes
- (14) Is a portion of the building used for any function other than long term care services for the patient census listed on page 2, Section B? No For example, is a portion of the building used for rental, a pharmacy, day care, etc.) If YES, attach a schedule which explains how all related costs were allocated to these functions
- (15) Indicate the cost of employee meals that has been reclassified to employee benefit: on Schedule V. \$ 13,895 Has any meal income been offset against related costs? Yes Indicate the amount. \$ 102
- (16) Travel and Transportation
a. Are there costs included for out-of-state travel? No
If YES, attach a complete explanation.
b. Do you have a separate contract with the Department to provide medical transportation for residents? No If YES, please indicate the amount of income earned from such a program during this reporting period. \$ N/A
c. What percent of all travel expense relates to transportation of nurses and patients? 0%
d. Have vehicle usage logs been maintained? Adequate records have been maintained.
e. Are all vehicles stored at the nursing home during the night and all other times when not in use? Yes
f. Has the cost for commuting or other personal use of autos been adjusted out of the cost report? N/A
g. Does the facility transport residents to and from day training? No
Indicate the amount of income earned from providing such transportation during this reporting period. \$ N/A
- (17) Has an audit been performed by an independent certified public accounting firm? No
Firm Name: N/A The instructions for the cost report require that a copy of this audit be included with the cost report. Has this copy been attached? N/A If no, please explain. N/A
- (18) Have all costs which do not relate to the provision of long term care been adjusted out of Schedule V? Yes
- (19) If total legal fees are in excess of \$2500, have legal invoices and a summary of services performed been attached to this cost report? Yes
Attach invoices and a summary of services for all architect and appraisal fees.

	Salaries	Supplies	Other	Total	Reclass- ifications	Reclassified Total	Adjusted Adjustments	Adjusted Total
1. Dietary	317,844	29,508	15,715	363,067	0	363,067	0	363,067
2. Food Purchase	0	335,046	0	335,046	0	335,046	-13,997	321,049
3. Housekeeping	282,794	37,251	0	320,045	0	320,045	390	320,435
4. Laundry	68,107	22,447	0	90,554	0	90,554	-977	89,577
5. Heat and Other Utilities	0	0	223,308	223,308	0	223,308	4,462	227,770
6. Maintenance	45,432	0	116,397	161,829	0	161,829	57,342	219,171
7. Other (specify)*	0	0	0	0	0	0	6,450	6,450
8. Total General Services	714,177	424,252	355,420	1,493,849	0	1,493,849	53,670	1,547,519
9. Medical Director	0	0	45,000	45,000	0	45,000	0	45,000
10. Nursing & Medical Records	3,517,683	227,605	73,709	3,818,997	0	3,818,997	75,382	3,894,379
10a. Therapy	0	0	1,279,939	1,279,939	0	1,279,939	0	1,279,939
11. Activities	213,202	25,943	4,819	243,964	0	243,964	0	243,964
12. Social Services	100,342	0	4,927	105,269	0	105,269	0	105,269
13. Nurse Aide Training	0	0	0	0	0	0	0	0
14. Program Transportation	0	0	0	0	0	0	0	0
15. Other (specify)*	0	0	0	0	0	0	9,118	9,118
16. Total Health Care & Programs	3,831,227	253,548	1,408,394	5,493,169	0	5,493,169	84,500	5,577,669
17. Administrative	110,386	0	1,252,130	1,362,516	0	1,362,516	-1,125,262	237,254
18. Directors Fees	0	0	0	0	0	0	0	0
19. Professional Services	0	0	106,471	106,471	0	106,471	18,206	124,677
20. Fees, Subscriptions & Promotion	0	0	13,843	13,843	0	13,843	1,170	15,013
21. Clerical & General Office	300,626	41,414	31,219	373,259	0	373,259	355,675	728,934
22. Employee Benefits & Payroll	0	0	714,363	714,363	0	714,363	13,895	728,258
23. Inservice Training & Education	0	0	2,146	2,146	0	2,146	0	2,146
24. Travel and Seminar	0	0	3,273	3,273	0	3,273	4,869	8,142
25. Other Admin. Staff Trans	0	0	103	103	0	103	12,527	12,630
26. Insurance-Prop.Liab.Malpractice	0	0	243,322	243,322	0	243,322	5,575	248,897
27. Other (specify)*	0	0	0	0	0	0	54,987	54,987
28. Total General Adminis	411,012	41,414	2,366,870	2,819,296	0	2,819,296	-658,358	2,160,938
29. Total General Administrative	4,956,416	719,214	4,130,684	9,806,314	0	9,806,314	-520,188	9,286,126
30. Depreciation	0	0	39,833	39,833	0	39,833	310,438	350,271
31. Amortization of Pre-Op. & Org.	0	0	0	0	0	0	0	0
32. Interest	0	0	4,734	4,734	0	4,734	498,081	502,815
33. Real Estate	0	0	0	0	0	0	458,011	458,011
34. Rent - Facility & Grounds	0	0	1,893,627	1,893,627	0	1,893,627	-1,891,830	1,797
35. Rent - Equipment & Vehicles	0	0	8,010	8,010	0	8,010	3,793	11,803
36. Other (specify):*	0	0	0	0	0	0	0	0
37. Total Ownership	0	0	1,946,204	1,946,204	0	1,946,204	-621,507	1,324,697
38. Medically Necessary T	0	0	0	0	0	0	0	0
39. Ancillary Service Cent	0	313,721	0	313,721	0	313,721	0	313,721
40. Barber and Beauty Shop	0	0	30,598	30,598	0	30,598	0	30,598
41. Coffee and Gift Shops	0	0	8,684	8,684	0	8,684	0	8,684
42. Provider Participation	0	0	148,230	148,230	0	148,230	0	148,230
43. Other (specify):*	0	0	151,763	151,763	0	151,763	-151,763	0
44. Total Special Cost Ce	0	313,721	339,275	652,996	0	652,996	-151,763	501,233
45. Grand Total	4,956,416	1,032,935	6,416,163	12,405,514	0	12,405,514	-1,293,458	11,112,056

	After	
	Operating	Consolidation
General Service Cost Center		
1. Cash on hand and in banks	316,399	329,357
2. Cash - Patient Deposits	0	0
3. Accounts & Notes Receivable	2,704,243	2,704,243
4. Supply Inventory	0	0
5. Short-Term Investments	0	0
6. Prepaid Insurance	135,549	135,549
7. Other Prepaid Expenses	4,913	4,913
8. Accounts Receivable-Owner/Related Party	1,000	1,000
9. Other (specify):	0	0
10. Total current assets	3,162,104	3,175,062
LONG TERM ASSETS		
11. Long-Term Notes Receivable	0	0
12. Long-Term Investments	81,527	81,527
13. Land	0	797,723
14. Buildings, at Historical Cost	0	8,569,286
15. Leasehold Improvements, Historical Cost	156,927	466,463
16. Equipment, at Historical Cost	297,396	1,176,335
17. Accumulated Depreciation (book methods)	-203,884	-2,684,109
18. Deferred Charges	0	0
19. Organization & Pre-Operating Costs	0	0
20. Accum Amort - Org/Pre-Op Costs	0	0
21. Restricted Funds	0	0
22. Other Long-Term Assets (specify):	10,939	10,939
23. other (specify):	0	126,306
24. Total Long-Term Assets	342,905	8,544,470
25. Total Assets	3,505,009	11,719,532
CURRENT LIABILITIES		
26. Accounts Payable	514,601	514,601
27. Officer's Accounts Payable	0	0
28. Accounts Payable-Patients Deposits	0	0
29. Short-Term Notes Payable	450,000	450,000
30. Accrued Salaries Payable	227,824	227,824
31. Accrued Taxes Payable	13,192	13,192
32. Accrued Real Estate Taxes	0	462,000
33. Accrued Interest Payable	0	61,297
34. Deferred Compensation	0	0
35. Federal and State Income Taxes	0	0
36. Other Current Liabilities (specify):	576,798	117,174
37. Other Current Liabilities (specify):	0	0
38. Total Current Liabilities	1,782,415	1,846,088
LONG TERM LIABILITES		
39. Long-Term Notes Payable	0	0
40. Mortgage Payable	0	8,001,666
41. Bonds Payable	0	0
42. Deferred Compensation	0	0
43. Other Long-Term Liabilities (specify):	0	448,676
44. Other Long-Term Liabilities (specify):	0	0
45. Total Long-Term Liabilities	0	8,450,342
46. Total Liabilities	1,782,415	10,296,430
47. Total Equity	1,722,594	1,423,102
48. Total Liabilities and Equity	3,505,009	11,719,532

	Balance per Medicaid Trial Balance
1. Gross Revenue - All levels of Care	11,648,538
2. Discounts and Allowances for all Levels	-972,530
Subtotal - Inpatient Care	10,676,008
4. Day Care	0
5. Other Care for Outpatients	0
6. Therapy	2,265,855
7. Oxygen	931
Subtotal - Ancillary Revenue	2,266,786
9. Payments for Education	0
10. Other Governmental Grants	0
11. Nurses Aide Training Reimbursements	0
12. Gift and Coffee Shop	11,904
13. Barber and Beauty Care	38,261
14. Non-Patient Meals	102
15. Telephone, Television, and Radio	0
16. Rental of Facility Space	0
17. Sale of Drugs	358,336
18. Sale of Supplies to Non-Patients	0
19. Laboratory	19,476
20. Radiology and X-Ray	17,258
21. Other Medical Services	30,360
22. Laundry	977
Subtotal - Other Operating Revenue	476,674
24. Contributions	0
25. Interest and Other Investments Income	30,152
Subtotal - Non-Operating Revenue	30,152
27. Other Revenue (specify):	0
28. Other Revenue (specify):	1748
Subtotal - Other Revenue	1,748
30. Total Revenue	13,451,368
31. General Services	1,493,849
32. Health Care	5,493,169
33. General Administration	2,819,296
34. Ownership	1,946,204
35. Special Cost Centers	504,766
35. Provider Participation Fee	148,230
37. Other	0
40. Total Expenses	12,405,514
41. Income Before Income Taxes	1,045,854
42. Income Taxes	0
43. Net Income or Loss for the Year	1,045,854

Page

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23